

## PART IV

### LONG TERM DISABILITY PLAN

The Long Term Disability (LTD) Plan provides you with protection against complete loss of income during a long period of absence because of a disabling illness or injury.

#### WHO IS ELIGIBLE FOR THE LONG TERM DISABILITY PLAN?

##### Active Employees

All regular employees age 30 or over who work at least 20 hours per week are required to participate in the LTD Plan upon completion of one year of active service.

However, if you are under age 30, with at least one year of active service you may participate in the LTD Plan.

Service shall include Continuous Service, if any, with Associated Universities, Inc., Battelle Memorial Institute, Research Foundation of the State University of New York, or the State University of New York at Stony Brook immediately prior to a transfer of employment to Brookhaven Science Associates, LLC.

#### ENROLLMENT

Employees must enroll for LTD Plan coverage on their date of hire. If you are under age 30, you may elect coverage effective upon completion of one year of Continuous Service. If you are age 30 or over, your coverage will be effective upon completion of one year of Continuous Service. If you elect to change the effective date of your coverage more than 30 days after your date of hire, you must submit evidence of insurability and be approved by the Insurance Company before insurance can become effective. If approved, LTD coverage will become effective on the date of such approval by the Insurance Company. You must be in active employment status for coverage to become effective.

#### LONG TERM DISABILITY PLAN COVERAGE

##### Income Benefits Provided

LTD benefits are provided if you are continuously Totally Disabled during the elimination period. The elimination period is six months. If your disability stops for 30 consecutive days or less during the elimination period, your disability will be treated as continuous. The days you are not disabled

will not count toward your elimination period. The Insurance Company will determine if you are eligible for these benefits.

If eligible, and you first became disabled and entitled to a benefit under the LTD Plan before January 1, 2005, LTD benefits were based on the plan in existence at that time.

If eligible, and you first become disabled and entitled to a benefit under the LTD Plan on or after January 1, 2005, commencing with the seventh consecutive month of disability, you will receive monthly income payments equal to sixty percent (60%) of your monthly full-time or part-time Base Salary.

Your gross monthly income payments will be reduced by the following sources of income:

- The amount that you receive as loss of time benefits under:
  - a workers' compensation law;
  - an occupational disease law; or
  - any other act or law with similar intent.
- The amount that you receive or are entitled to receive as loss of time disability income payments under any:
  - state compulsory benefits act or law.
  - group insurance or self-insured plans where the employer, directly or indirectly, has paid all or part of the cost or made payroll deductions.
  - governmental retirement system as the result of your job with your employer.
- The gross amount that you receive or are entitled to receive as loss of time disability payments because of your disability under:
  - the United States Social Security Act;
  - the Railroad Retirement Act;
  - the Canada Pension Plan;
  - the Quebec Pension Plan;
  - any similar plan or act.
- The gross amount that you receive as retirement payments under:
  - the United States Social Security Act;
  - the Railroad Retirement Act;
  - the Canada Pension Plan;
  - the Quebec Pension Plan; or
  - any similar plan or act
- The amount that you:
  - (a) receive as disability payments under your employer's retirement plan;
  - (b) voluntarily elect to receive as retirement or early retirement payments under your employer's retirement plan.
- The amount you receive under the maritime doctrine of maintenance, wages and cure. This includes only the "wages" part of such benefits.
- The amount identified as earnings replacement or disability income

- benefits that you receive, due to your disability, from a third party by judgment, settlement or otherwise.
- The amount of loss of time benefits that you receive or are entitled to receive under any salary continuation.
  - The amount of loss of time benefits that you receive or are entitled to receive under any accumulated sick leave, to the extent that your total monthly benefits exceed or would exceed 100% of your monthly earnings.
  - The amount that you receive from a partnership, proprietorship or any similar draws.
  - The amount that you receive or are entitled to receive under any unemployment income act or law due to the end of employment with your employer.

With the exception of retirement payments, or amounts that you receive from a partnership, proprietorship or any similar draws, the Insurance Company will only subtract deductible sources of income which are payable as a result of the same disability.

However, if you continue to be disabled after receiving LTD benefits for 24 months or after obtaining age 65, and you elect to receive Retirement Plan benefits, this will not cause a reduction in your LTD benefits.

If you become Totally Disabled at age 30 or over, you may be eligible to receive monthly benefit payments for up to 2 years. However, if you continue to be Totally Disabled and if your disability prevents you from engaging in any occupation for which you are qualified by training, education, or experience, benefit payments will continue beyond the 2-year period until you are no longer Totally Disabled, or as indicated in the following schedule:

### **Maximum Period of Benefits**

<b>Your Age on Date Disablement Begins</b>	<b>Your Maximum Benefits Duration</b>
Under age 61	To your NRA*, but not less than 60 months
Age 61	To your NRA*, but not less than 48 months
Age 62	To your NRA*, but not less than 42 months
Age 63	To your NRA*, but not less than 36 months
Age 64	To your NRA*, but not less than 30 months
Age 65	24 months
Age 66	21 months
Age 67	18 months
Age 68	15 months
Age 69 and over	12 months

\* Your normal retirement age (NRA) is your retirement age under the Social Security Act where retirement age depends on your year of birth.

If you become Totally Disabled before age 30 and continue to qualify for LTD benefits, the maximum period of benefit payments is 2 years.

Regardless of age, LTD benefits cease on the date you cease to be Totally Disabled.

The maximum monthly benefit is \$20,000.

### **Contributions to the Retirement Plan**

If you were a participant in the Retirement Plan before becoming Totally Disabled, monthly contributions will be made by the Insurance Company to the Retirement Plan as long as you qualify for LTD benefit payments.

The monthly contribution to the Retirement Plan will equal one-twelfth of the total of the following:

12.5% of your annual Base Salary that is taxable under the Social Security Act on the day prior to the day you become eligible to receive LTD benefits and 17.5% of the remaining amount of your annual Base Salary.

### **Portable Adaptive Equipment**

The Insurance Company may be able to assist you to identify portable adaptive equipment that is likely to help you remain at work or return to work. Additional details are available from the Insurance Company.

### **Rehabilitation**

The Insurance Company has a rehabilitation program available. They will contact you if, upon review of your information, you qualify to participate.

## **CLAIMS**

### **How to File a Claim**

If you want to file a claim for LTD Plan benefits, you must contact the Benefits Office who will provide the applicable forms to you. The completed forms must be submitted to the Benefits Office for submission to the Insurance Company within 90 days after the elimination period.

### **Questions About Claims**

If you have a question about your LTD claim, you should contact the Benefits Office.

### **How to Appeal a Claim**

If your claim is denied, you will receive a written notice of the denial from the Insurance Company. The notice will explain the reason for the denial and indicate the review procedures. You may request a review of the denied claim. The request must be submitted in writing within 180 days after you receive the denial notice. Submit your request, including your

reasons for requesting the review, to The Prudential Insurance Company of America, 751 Broad Street, Newark, NJ 07102. They can also be reached at (800) 842-1718. The Insurance Company will review the claim and ordinarily notify you within 45 days of the date your request for review is received. In special cases requiring a delay, the Insurance Company will render a decision no later than 90 days after your request for review is received.

## **EMPLOYEE PREMIUMS**

When participating in the LTD Plan, employees must pay the required employee premiums (\$0.40 per \$100 of coverage).

## **OTHER INSURANCE COVERAGES WHILE ON LTD**

### **Medical Coverage**

Currently, as long as you continue to qualify for LTD benefits and were enrolled in the Medical Plan immediately prior to your disability, you and your eligible dependents will be provided with Medical Plan coverage at no cost to you.

Currently, if you qualify for Medicare Health Insurance coverage because of your disability, or if you have reached age 65, Medical Plan coverage will be continued at no cost to you. You must, however, elect both Parts A and B of Medicare and pay the applicable premium. Medicare then becomes your primary medical insurance coverage.

### **Life Insurance Coverage**

Currently, as long as you continue to qualify for LTD benefits, your Life Insurance Plan coverage will be continued at no cost to you. Life Insurance coverage will be the amount in force on the day immediately preceding your first day of disability. Life Insurance coverage amounts will reduce at age 65 or over in accordance with the provisions of the Life Insurance Plan.

### **Dental Coverage**

Currently, if you were enrolled in the Dental Plan, you and your eligible dependents may continue dental coverage by paying the required employee premiums. This coverage will cease when LTD benefits cease.

## **MISCELLANEOUS**

### **Base Salary**

Base Salary means your actual Base Salary on the day immediately preceding the day you become eligible to receive LTD benefits. It does not

include overtime, shift or holiday premium, bonus or any other forms of compensation. For part-time employees, Base Salary is based on the part-time basic rate of pay.

An increase in Base Salary will not be recognized under this LTD Plan if it occurs between separate periods of Total Disability which are considered one period of disability for LTD benefits.

## **Changes in the Amount of LTD Coverage**

Any change in the amount of your LTD coverage due to a change in your Base Salary will become effective on the date your Base Salary changes.

## **Continuous Service**

Continuous Service means service from your most recent hire date. Service performed prior to a break in employment is not included in Continuous Service. Continuous Service will be reduced by periods on approved Leave of Absence. Continuous Service shall include continuous service, if any, with Associated Universities, Inc., Battelle Memorial Institute, Research Foundation of the State University of New York or the State University of New York at Stony Brook immediately prior to a transfer of employment to Brookhaven Science Associates, LLC.

## **Disabilities Not Covered**

The LTD Plan does not cover any disabilities caused by, contributed to, or resulting from your:

- intentionally self-inflicted injuries
- active participation in a riot or
- commission of a felony for which you have been convicted under state or federal law.

It also does not cover a disability due to war, declared or undeclared war, or any act of war.

## **Employment Status While Receiving LTD Benefits**

If you are an active employee, effective on the date you qualify for LTD benefits (commencing with your seventh consecutive month of disability), you will be placed on a 12-month leave of absence. If, at the end of this period, you continue to qualify for LTD benefits, your employment will be terminated, but your insurance coverages will continue as indicated above.

## **Evidence of Insurability**

Evidence of Insurability is required if:

- When you enroll for coverage more than 31 days after the date you are eligible for it.
- You re-enroll for coverage after you voluntarily cancelled it.
- You enroll after your coverage ends because you did not pay a required contribution

- You have not met a previous evidence requirement to become insured under this policy.

If you return to work immediately after an approved Leave of Absence, but did not continue your LTD coverage during the leave and are age 30 or over with one year of Continuous Service, then Evidence of Insurability is not required.

## **General Information**

Information regarding the plan identification number, plan year, plan funding, type of plan, plan sponsor, plan administrator, agent for legal process, your rights under ERISA, prudent actions by plan fiduciaries, modification, suspension, or termination of the plan, and privacy of information can be found in the General Information section of this booklet.

## **Insurance Company**

The Insurance Company is The Prudential Insurance Company of America as of January 1, 2005.

## **Leave of Absence**

If you are on an approved Leave of Absence, you may continue your LTD coverage during the term of the approved leave from the starting date of your leave by paying the required active employee premiums.

Continuation of insurance is not allowed while on leave for other employment when (1) the other employer offers coverage or (2) the other employer is an agency or prime contractor of the federal government that will cover the employee under its insurance program.

## **Material and Substantial Duties**

Material and Substantial Duties means duties that:

- are normally required for the performance of your regular occupation; and
- cannot be reasonably omitted or modified, except that if you are required to work on average in excess of 40 hours per week, the Insurance Company will consider you able to perform that requirement if you are working or have the capacity to work 40 hours per week.

## **Overpayment**

If you are overpaid LTD benefits, you will be required to repay such amounts. The Insurance Company will determine the method of repayment.

## **Reduction in Benefits Due to Earnings**

The monthly LTD benefits for any month during which you are Totally Disabled will be reduced and will take into account the amount you earn through work during that month.

## **Social Security Benefits**

You are required to file for Social Security benefits if you are disabled. If you are covered under the Federal Social Security Act for disability or Old Age Benefits, you will be assumed to be receiving such benefits. The level of such benefits will be estimated by the Insurance Company. Your monthly LTD benefits will be reduced by the amount of such estimated benefits unless you have applied and, if denied for benefits, reapplied and been denied. Upon proof of the actual benefit amount, the Insurance Company will adjust your LTD benefits accordingly.

## **Successive Periods of Disability**

If, after receiving LTD benefits, you return to work on a full-time basis and again become Totally Disabled, you will be eligible for the continuation of your previous LTD benefits and will not be required to establish a new six-month disability elimination period, provided that your disability recurs within three months after you return to work and is due to the same or related cause. This means that your return to work must be for less than three months to qualify for this provision. If, however, your disability has an entirely new and unrelated cause or if you have returned to work on a full-time basis for more than three months, you will be required to establish a new six-month disability elimination period before becoming eligible for LTD benefits.

## **Termination of Coverage**

LTD Plan coverage will cease on the earlier of the date you are no longer receiving LTD benefits and are no longer employed, the date you are no longer eligible for coverage, when you fail to pay the required premiums, or the date the group contract is cancelled.

## **Totally Disabled**

You will be considered Totally Disabled if, because of injury or illness, you are unable to perform the Material and Substantial duties of your regular occupation and are under the regular care of a doctor. After monthly LTD benefits have been paid for twenty four months, you will be considered Totally Disabled if, because of injury or illness, you are unable to perform the duties of any gainful occupation for which you are reasonably fitted by education, training or experience and are under the regular care of a doctor.